

**DISTRICT OF COLUMBIA  
LIFE & HEALTH INSURANCE GUARANTY  
ASSOCIATION ACT OF 1992**

Summary Of General Purposes And  
Current Limitations Of Coverage

Residents of the District of Columbia who purchase health insurance, life insurance and annuities, should know that the insurance companies licensed in the District of Columbia to write these types of insurance are members of the District of Columbia Life and Health Insurance Guaranty Association. The purpose of this Guaranty Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of insured persons who live in the District of Columbia and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is limited, however, as noted below.

**DISTRICT OF COLUMBIA LIFE AND  
HEALTH INSURANCE GUARANTY ASSOCIATION  
DISCLAIMER**

The District of Columbia Life and Health Insurance Guaranty Association provides coverage of claims under some types of policies if the insurer becomes impaired or insolvent. **COVERAGE MAY NOT BE AVAILABLE FOR YOUR POLICY.** Even if coverage is provided, there are significant limitations and exclusions. Coverage is generally conditioned on residence in the District of Columbia. Other conditions may also preclude coverage.

The District of Columbia Life and Health Insurance Guaranty Association or the District of Columbia Superintendent of Insurance will respond to any questions you may have which are not answered by this document. Your insurer and agent are prohibited by law from using the existence of the association or its coverage to sell you an insurance policy.

You should not rely on availability of coverage under the Life and Health Insurance Guaranty Association Act of 1992 when selecting an insurer.

Policyholders with additional questions may contact:

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The District of Columbia Life  
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Washington, D.C. 20005  
Phone: (202) 347-8771  
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**Insurance Commissioner  
Mr. Laurence H. Mirel  
District of Columbia Department of  
Insurance and Securities Regulation  
Insurance Administration  
801 1<sup>st</sup> Street, N.E.  
Suite 701  
Washington, D.C. 20002  
Phone: (202) 727-8000  
Phone: (202) 535-1196**

The District of Columbia law that provides for this safety-net coverage is called the Life and Health Insurance Guaranty Association Act of 1992. The following is a brief summary of this law's coverages,

exclusions and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations under the act or the rights or obligations of the Guaranty Association. If you have obtained this document from an agent in connection with the purchase of a policy, you should be aware that its delivery to you does not guarantee that your policy is covered by the Guaranty Association.

### **COVERAGE**

Generally, individuals will be protected by the District of Columbia Life and Health Insurance Guaranty Association if they live in the District of Columbia and are insured under a health insurance, life insurance or annuity contract issued by a member insurer, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

### **EXCLUSIONS FROM COVERAGE**

However, persons holding such policies are not protected by this Guaranty Association if:

they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside of that state of incorporation);

their insurer was not authorized to do business in the District of Columbia; or

their policy was issued by a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, a non-profit hospital service plan, a health maintenance organization or a risk retention group.

The Guaranty Association also does not provide coverage for:

any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk;

any policy of reinsurance (unless an assumption certificate was issued);

any plan or program of an employer or association that provides life, health or annuity benefits to its employees or members to the extent the plan is self-funded or uninsured;

interest rate guarantees which exceed certain statutory limitations;

dividends, experience rating credits or fees for services in connection with a policy;

credits given in connection with the administration of a policy by a group contract holder; or

unallocated annuity contracts.

### **LIMITS ON AMOUNT OF COVERAGE**

The Act also limits the amount the Guaranty Association is obligated to pay. The benefits for which the Guaranty Association may become liable shall be limited to the lesser of either the contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer, or, with respect to any one life, regardless of the number of policies, contracts or certificates, in the case of life insurance, \$300,000 in death benefits but not more than \$100,000 in net cash surrender or withdrawal values; in the case of health insurance, \$100,000 in health insurance benefits; and, with respect to annuities, \$300,000 in the present value of annuity benefits. Finally, in no event is the Guaranty Association liable for more than \$300,000 with respect to any one individual.

# STANDARD INSURANCE COMPANY

A Stock Life Insurance Company  
900 SW Fifth Avenue  
Portland, Oregon 97204-1282  
(503) 321-7000

## CERTIFICATE GROUP LIFE INSURANCE

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Policyholder:	District of Columbia Government Employees
Policy Number:	641332-B
Effective Date:	September 1, 2006

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A Group Policy has been issued to the Policyholder. We certify that you will be insured as provided by the terms of the Group Policy. If your coverage is changed by an amendment to the Group Policy, we will provide the Policyholder with a revised Certificate or other notice to be given to you.

**This policy includes an Accelerated Benefit. Death benefits will be reduced if an Accelerated Benefit is paid. The receipt of this benefit may be taxable and may affect your eligibility for Medicaid or other government benefits or entitlements. However, if you meet the definition of "terminally ill individual" according to the Internal Revenue Code Section 101, your Accelerated Benefit may be non-taxable. You should consult your personal tax and/or legal advisor before you apply for an Accelerated Benefit.**

Possession of this Certificate does not necessarily mean you are insured. You are insured only if you meet the requirements set out in this Certificate. If the terms of the Certificate differ from the Group Policy, the terms stated in the Group Policy will govern.

"We", "us" and "our" mean Standard Insurance Company. "You" and "your" mean the Member. All other defined terms appear with the initial letter capitalized. Section headings, and references to them, appear in boldface type.



President

GC190-LIFE/S399

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## COVERAGE FEATURES

This section contains many of the features of your group life insurance. Other provisions, including exclusions and limitations, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

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### GENERAL POLICY INFORMATION

Group Policy Number:	641332-B
Type of Insurance Provided:	
Life Insurance:	Yes
Dependents Life Insurance:	Yes
Accidental Death And Dismemberment (AD&D) Insurance:	Yes
Policyholder:	Government of the District of Columbia
Employer (s):	Government of the District of Columbia
Group Policy Effective Date:	September 1, 2006
Policy Issued in:	District of Columbia

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### BECOMING INSURED

To become insured for Life Insurance you must: (a) Be a Member; (b) Complete your Eligibility Waiting Period; and (c) Meet the requirements in **Life Insurance**.

Definition of Member:	You are a Member if you are one of the following: <ol style="list-style-type: none"><li>1. An active employee of the Employer who was hired on or after October 1, 1987; or</li><li>2. An employee retired under the Employer's retirement program who was covered under the Group Policy or Prior Plan on the day before retirement and you meet the requirements established by the DC Office of Personnel to continue your insurance into retirement; or</li><li>3. An employee in non-pay status, subject to the following:<ol style="list-style-type: none"><li>a) No premiums are due for the Member's insurance, except that premiums will not be waived for any period the Member receives compensation benefits.</li><li>b) Insurance for a Member in non-pay status will end on the earliest of:<ol style="list-style-type: none"><li>i. The date the Member has been in non-pay status for 12 months;</li><li>ii. The date the Member separates from the Member's agency; and</li></ol></li></ol></li></ol>
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iii. The date the Group Policy terminates; or

4. An employee receiving compensation under the Employer's self-funded disability plan on February 28, 2001, or an employee on Leave of Absence on February 28, 2001, as long as premiums are paid during these times; or
5. An employee who is out of work due to a work-related accident or injury and who is receiving workers' compensation benefits.

You are not a Member if you are:

1. A temporary or seasonal employee;
2. A full time member of the armed forces of any country; or
3. One of the following:
  - a. A member of a uniformed service as defined in section 1072 of title 10, United States Code.
  - b. An employee serving under an appointment limited to one year or less.
  - c. An employee whose employment is of uncertain or purely temporary duration, or who is employed for brief periods at intervals, or an employee who is expected to work less than six months in each year.
  - d. An intermittent employee (a non full-time employee) without a prearranged regular tour of duty.
  - e. An employee paid on a piecework basis except those whose work schedule provides for regular or full-time service or for part-time service with a regular tour of duty.

Note: An employee who is already enrolled in a plan and who transfers to, or whose employment status changes so that the individual occupies, a position under which the individual would normally be excluded from coverage by b, c, or d above, continues the enrollment in the new position provided there was not a break in service of more than three calendar days.

Class Definition:

Class 1: Active Members

Class 2: Retired Members

Eligibility Waiting Period:

You are eligible on one of the following dates:

If you are a Member on the Group Policy Effective Date, you are eligible on that date.

If you become a Member after the Group Policy Effective Date, you are eligible on the date you become a Member.

Evidence of Insurability:

Required:

- a. If you have previously waived Plan 1 Contributory Insurance, you may make late application for Plan 1 and Plan 2 Options A or B during an Annual Enrollment Period following 1 year from the date of your previous Plan 1 waiver.
- b. If you have already enrolled in Plan 1 Contributory Insurance, you may make late application for Plan 2 Options A or B Contributory insurance on a late basis during an Annual Enrollment Period following 1 year from the date of your initial enrollment.
- c. For reinstatements if required.
- d. For Members eligible but not insured under the Prior Plan.
- e. For any elective increase in Plan 2 Options A or B Life Insurance Benefit.
- f. At the time of a Life Event Change, if you have previously waived Plan 1 Contributory Insurance, you may make application for Plan 1 and Plan 2 Options B and C at the time of a Life Event Change following 1 year from the date of your previous Plan 1 waiver.

### **During Your Employer's Annual Enrollment Period**

Annual Enrollment Period means the period designated each year by your Employer when you may change insurance elections.

During your Employer's Annual Enrollment Period, Evidence Of Insurability requirements will be required with respect to Plan 1 or Plan 2 Options A or B, or both. Evidence Of Insurability requirements will also be required if you previously submitted Evidence Of Insurability that was not approved by us, or if you previously submitted evidence of good health that was not approved by the insurer(s) of the Prior Plan or any preceding plans.

You must elect Plan 1 (Basic Life Insurance) in order to elect Plan 2 Options A or B, or both (Optional Life Insurance).

If you are already enrolled in Plan 1 Life Insurance, you may elect Plan 2 Options A or B, or both, or you may increase your multiple of Life Insurance under Plan 2 Option B. You may only make application for evidence of good health for Plan 2 Options A or B Life Insurance during an Annual Enrollment Period, provided it is following one year from your original eligibility date. If approved, you may elect Plan 2 Options A or B, or both, within 31 days of approval.

Please note: If you had previously elected Option C, and you are now requesting to enroll in Options A or B, you must re-enroll for Option C at the time you enroll for Options A or B. Otherwise, your Option C coverage will be deemed to be waived/cancelled.

If you previously waived your Plan 1 Life Insurance and now would like to elect Plan 2 Options A or B, or both, you must first be approved for Evidence Of Insurability for Plan 1 Life Insurance. Application for Evidence Of Insurability may only be made at the time of an Annual Enrollment



Period, provided it is following one year from the effective date of your previous waiver. If approved, you will be enrolled in Plan 1 Life Insurance and you may elect for Plan 2 Options A or B, or both, within 31 days of approval.

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### **For A Life Event Change**

Unless noted below, you cannot elect Plan 1 Life Insurance or Plan 2 Option A at the time of a Life Event Change.

In the event of a Life Event Change certain Evidence Of Insurability requirements will be required with respect to Plan 1 Life Insurance. Evidence Of Insurability requirements will also be required if you previously submitted Evidence Of Insurability that was not approved by us, or if you previously submitted evidence of good health that was not approved by the insurer(s) of the Prior Plan or any preceding plans.

If you already have Plan 1 Life Insurance, you may elect Plan 2 Options B or C, or both, or you may increase your multiple of Life Insurance under Plan 2 Option B within 60 days of the Life Event Change without providing Evidence Of Insurability.

Please note: If you had previously elected Option C, and you are now requesting to enroll in Option B, you must re-enroll for Option C at the time you enroll for Option B. Otherwise, your Option C coverage will be deemed to be waived/cancelled.

If you previously waived Plan 1 Life Insurance coverage and subsequently experience a Life Event Change less than one year after the waiver took effect, you must wait for one year from the effective date of your previous waiver before you can provide evidence of good health for Plan 1 Life Insurance. If approved, you will be enrolled in Plan 1 Life Insurance and you may then elect Plan 2 Options B or C, or both, within 31 days of the approval.

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## **PREMIUM CONTRIBUTIONS**

Life and AD&D Insurance:

### **Class 1:**

Plan 1:	Contributory
Plan 2: Options A and B:	Contributory
Plan 2: Option C (Dependents Life Insurance):	Contributory

### **Class 2:**

Plan 1:	
75% reduction:	Noncontributory
50% reduction:	Contributory
No reduction:	Contributory
Plan 2, Option A:	
75% reduction:	Noncontributory
Plan 2, Option B:	
100% reduction:	Noncontributory

No reduction:	Contributory
Plan 2, Option C (Dependents Life Insurance):	
100% reduction:	Noncontributory
No reduction:	Contributory

## SCHEDULE OF INSURANCE

### SCHEDULE OF LIFE INSURANCE

For you:

Life Insurance Benefit:

You will become insured under Plan 1 if you meet the requirements to become insured under the Group Policy, unless you waive Plan 1 Life Insurance. If you choose not to enroll in Plan 1, you must wait for one year following your original eligibility date, or the next Annual Enrollment Period, whichever is longer, to enroll and Evidence Of Insurability satisfactory to Standard will be required. You must elect Plan 1 (Basic Life Insurance) in order to elect any of the Plan 2 Options (Optional Life Insurance).

If you elect to be insured under Plan 1, you may also become insured under any of the Plan 2 Options if you meet the requirements to become insured under Plan 2 Life Insurance under the Group Policy. All Plans are contributory plans requiring premium contributions from Members.

If you do not elect Plan 2 Option C at the time of your initial eligibility, you must wait for a Life Event Change, provided it is following one year from your original eligibility date to enroll. At that time you will have 60 days from the Life Event Change to elect Options B or C or both. You cannot elect Plan 1 or Plan 2 Option A at the time of a Life Event Change.

Please note: If you initially elect Option C, but subsequently request to enroll in Options A or B, you must re-enroll for Option C at the time you enroll for Options A or B. Otherwise, your Option C coverage will be deemed to be waived/cancelled.

If you do not elect Plan 2 Options A or B at the time of your initial eligibility, you must wait for one year following your original eligibility date, or the next Annual Enrollment Period, whichever is longer, to enroll and Evidence Of Insurability satisfactory to Standard will be required.

You may be insured under Plan 1 and any of the Plan 2 options at any one time.

Plan 1 (basic):

Class 1:

1 times your Annual Earnings rounded to the next higher \$1,000 if not already a multiple thereof, plus \$2,000. The minimum amount is \$10,000.

Class 2:

Members who retired prior to January 1, 1990: The amount in effect on February 28, 2001 under the Prior Plan.

Members who retire on or after January 1, 1990: At the time of your retirement, you may apply for one of the following:

**75% Reduction:** Your Life Insurance will reduce by 2% of the amount in effect immediately prior to retirement each month beginning with the second calendar month after the date you become 65, or retire, whichever is later. The amount will not reduce to less than 25% of the amount in effect prior to retirement.

**50% Reduction:** Your Life Insurance will reduce by 1% of the amount in effect immediately prior to retirement each month beginning with the second calendar month after the date you become 65, or retire, whichever is later. The amount will not reduce to less than 50% of the amount in effect prior to retirement.

**No Reduction:** Your Life Insurance will equal the amount in effect immediately prior to retirement.

Plan 2 (optional):

In order to enroll in Plan 2, you must participate in Plan 1. You may apply for any or all of the following Plan 2 Options:

Class 1:

Option A: \$10,000

Option B: You may apply for your choice of one of the following: 1, 2, 3, 4, or 5 times your Annual Earnings. The amount of insurance elected under Option B is determined by multiplying your Annual Earnings, rounded to the next higher multiple of \$1,000 if not already a multiple, by the Option you elect.

Option C (Dependents Life Insurance):

Spouse: \$ 5,000 and Child(ren) \$ 2,500

The amount of Dependents Life Insurance may not exceed 50% of the amount of your Life Insurance.

You may continue Options A, B and C into retirement.

Class 2:

Option A: \$10,000.

**75% Reduction:** Your Plan 2 Option A Life Insurance will reduce by 2% each month beginning with the second calendar month after the date you become 65. The amount will not reduce to less than 25% of the amount in effect prior to retirement.

**Option B:** The amount of your Plan 2 Option B Life Insurance in effect immediately prior to retirement. You may apply for one of the following Options:

**100% Reduction:** Your Life Insurance will reduce by 2% of the amount in effect immediately prior to retirement each month beginning with the second calendar month after the date you become 65. The amount will not reduce to less than 0% of the amount in effect prior to retirement.

**No Reduction:** Your Life Insurance will equal the amount in effect immediately prior to retirement.

**Option C:** The amount of your Plan 2 Option C Life Insurance in effect immediately prior to retirement. You may apply for one of the following Options:

**100% Reduction:** Your Life Insurance will reduce by 2% of the amount in effect immediately prior to retirement each month beginning with the second calendar month after the date you become 65. The amount will not reduce to less than 0% of the amount in effect prior to retirement.

**No Reduction:** Your Life Insurance will equal the amount in effect immediately prior to retirement.

**Extra Benefit:**

The Extra Benefit equals the following percentage of the amount of your Plan 1 Life Insurance Benefit. The Extra Benefit is payable only if you die before age 45.

**Plan 1 Life Insurance**

Age	Percentage
35 or under	100%
36	90%
37	80%
38	70%
39	60%
40	50%
41	40%
42	30%
43	20%
44	10%
45 or over	0%

**The Repatriation Benefit:**

The expenses incurred to transport your body to a mortuary near your primary place of residence, but not to exceed \$5,000 or 10% of the Life Insurance Benefit, whichever is less.

**SCHEDULE OF AD&D INSURANCE**

For you:

**AD&D Insurance Benefit:** Class 1: The amount of your Plan 1 AD&D Insurance Benefit is equal to the amount of your Plan 1 Life Insurance Benefit.

The amount of your Plan 2 AD&D Insurance Benefit is determined as follows:

Class 1 Members insured for Option A of Plan 2 Life Insurance: \$10,000

All other Members: None

Class 2: None

The amount payable for certain Losses is less than 100% of the AD&D Insurance Benefit. See AD&D Table Of Losses.

**Seat Belt Benefit:** The amount of the Seat Belt Benefit is the lesser of (1) \$10,000 or (2) the amount of AD&D Insurance Benefit payable for loss of life.

**Air Bag Benefit:** The amount of the Air Bag Benefit is the lesser of (1) \$5,000; or (2) the amount of AD&D Insurance Benefit payable for Loss of your life.

**Career Adjustment Benefit:** The tuition expenses for training incurred by your Spouse within 36 months after the date of your death, exclusive of room and board, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25% of the AD&D Insurance Benefit, whichever is less.

**Child Care Benefit:** The total child care expense incurred by your Spouse within 36 months after the date of your death for all Children under age 13, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25% of the AD&D Insurance Benefit, whichever is less.

**Higher Education Benefit:** The tuition expenses incurred per Child within 4 years after the date of your death at an accredited institution of higher education, exclusive of room and board, but not to exceed \$5,000 per year, or the cumulative total of \$20,000 or 25% of the AD&D Insurance Benefit, whichever is less.

**AD&D TABLE OF LOSSES**

The amount payable is a percentage of the AD&D Insurance Benefit in effect on the date of the accident and is determined by the Loss suffered as shown in the following table:

Loss:	Percentage Payable:
a. Life	100%
b. One hand, one foot or sight of one eye	50%
c. Two or more of the Losses listed in b. above	100%

**No more than 100% of your AD&D Insurance will be paid for all Losses resulting from one accident.**

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### REDUCTIONS IN INSURANCE

Class 1:

Your insurance will not be reduced because of your age.

Class 2:

See Schedule of Insurance for age reductions.

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### OTHER BENEFITS

Waiver Of Premium:	No
Accelerated Benefit:	Class 1: Yes Class 2: No

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### OTHER PROVISIONS

Limits on Right To Convert if Group Policy terminates or is amended:

Minimum Time Insured:	5 years
Maximum Conversion Amount:	\$2,000
Leave Of Absence Period:	12 months
Insurance Eligible For Portability:	

For you:

Plan 2 Life Insurance:	Yes
Minimum combined amount:	\$10,000
Maximum combined amount:	\$300,000

For your Spouse:

Dependents Life Insurance:	Yes
Minimum combined amount:	\$5,000
Maximum combined amount:	\$100,000

**For your Child:**

<b>Dependents Life Insurance:</b>	<b>Yes</b>
<b>Minimum combined amount:</b>	<b>\$1,000</b>
<b>Maximum combined amount:</b>	<b>\$5,000</b>

## **LIFE INSURANCE**

### A. Insuring Clause

If you die while insured for Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive satisfactory Proof Of Loss.

### B. Amount Of Life Insurance

See the **Coverage Features** for the Life Insurance schedule.

### C. Changes In Life Insurance

#### 1. Increases

You must apply in writing for any elective increase in your Life Insurance.

Subject to the **Active Work Provisions**, an increase in your Life Insurance becomes effective as follows:

##### a. Increases Subject To Evidence Of Insurability

An increase in your Life Insurance subject to Evidence Of Insurability becomes effective on the date determined by your Servicing Personnel Office following your completion of a DC SF 1275 Form and your receipt of a certified copy from your Servicing Personnel Office (SPO) following approval of your Evidence Of Insurability by the Standard. You have 31 days from the date you receive approval of your medical evidence to complete a DC SF 1275 Form and receive a certified copy from your Servicing Personnel Office (SPO).

##### b. Increases Not Subject To Evidence Of Insurability

An increase in your Life Insurance not subject to Evidence Of Insurability becomes effective on:

- (i) The first day of the pay period coinciding with or next following the date you apply for an elective increase or the date of change in your classification, age or Annual Earnings.
- (ii) The date determined by your Servicing Personnel Office (SPO) if you apply within 60 days of a Life Event Change.

#### 2. Decreases

A decrease in your Life Insurance because of a change in your classification, age or Annual Earnings becomes effective on the first day of the pay period coinciding with or next following the date of the change.

Any other decrease in your Life Insurance becomes effective on the first day of the pay period coinciding with or next following the date the Policyholder or your Employer receives your written request for the decrease.

### D. Repatriation Benefit

The amount of the Repatriation Benefit is shown in the **Coverage Features**.

We will pay a Repatriation Benefit if all of the following requirements are met.

1. A Life Insurance Benefit is payable because of your death.
2. You die more than 200 miles from your primary place of residence.



3. Expenses are incurred to transport your body to a mortuary near your primary place of residence.

#### E. When Life Insurance Become Effective

Your Life Insurance is Contributory.

Your Life Insurance becomes effective as follows:

1. Life Insurance subject to Evidence Of Insurability

Life Insurance subject to Evidence Of Insurability becomes effective on the date we approve your Evidence Of Insurability and you complete a DC SF 1275 enrollment form and receive a certified copy from your Servicing Personnel Office.

2. Life Insurance not subject to Evidence Of Insurability

Contributory Life Insurance

You must apply in writing for Contributory Life Insurance and agree to pay premiums. Contributory Life Insurance not subject to Evidence Of Insurability becomes effective on:

- (i) The date determined by your Servicing Personnel Office (SPO) providing you apply on or before that date.
- (ii) The date determined by your Servicing Personnel Office (SPO), if you apply within 31 days after becoming eligible.
- (iii) The date determined by your Servicing Personnel Office (SPO), if you apply within 60 days of a Life Event Change.

Late application: Evidence Of Insurability is required if you apply more than 31 days after you become eligible. You must wait one year following your failure to make timely enrollment before you are eligible to provide satisfactory Evidence of Insurability.

3. Takeover Provision

- a. If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Group Policy.
- b. You must submit satisfactory Evidence Of Insurability to become insured for Life Insurance if you were eligible under the Prior Plan for more than 31 days but were not insured.

#### F. When Life Insurance Ends

Life Insurance ends automatically on the earliest of:

1. The date the last period ends for which you made a premium contribution, if your insurance is Contributory;
2. The date the Group Policy terminates;
3. The date your employment terminates; and
4. The date you cease to be a Member. However, if you cease to be a Member because you are working less than the required minimum number of hours, your Life Insurance will be continued with premium payment during the following periods, unless it ends under 1 through 3 above.
  - a. While your Employer is paying you at least the same Annual Earnings paid to you immediately before you ceased to be a Member.
  - b. While your ability to work is limited because of Sickness, Injury, or Pregnancy.

- c. During the first 12 months of a non-pay status.
- d. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.
- e. During any other scheduled leave of absence approved by your Employer in advance and in writing and lasting not more than the period shown in the **Coverage Features**.

G. Reinstatement Of Life Insurance

If your Life Insurance ends, you may become insured again as a new Member. However, 1 through 4 below will apply.

- 1. If your Life Insurance ends because you cease to be a Member, and if you become a Member again within 180 days, the Eligibility Waiting Period will be waived. Evidence Of Insurability will not be required for the amounts in effect on the date you ceased to be a Member.
- 2. If your Life Insurance ends because you fail to make a required premium contribution, or you cancel your insurance you must provide Evidence Of Insurability to become insured again.
- 3. If you exercised your Right To Convert, you must provide Evidence Of Insurability to become insured again.
- 4. If your Life Insurance ends because you are on a federal or state-mandated family or medical leave of absence, and you become a Member again immediately following the period allowed, your insurance will be reinstated pursuant to the federal or state-mandated family or medical leave act or law.

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## **DEPENDENTS LIFE INSURANCE**

A. Insuring Clause

If your Dependent dies while insured for Dependents Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive satisfactory Proof Of Loss.

B. Amount Of Dependents Life Insurance

See the **Coverage Features** for the amount of your Dependents Life Insurance.

C. Changes In Dependents Life Insurance

A change in your Dependents Life Insurance can only be made following a Life Event Change.

D. Definitions For Dependents Life Insurance

Dependent means your Spouse or Child. Dependent does not include a person who is a full-time member of the armed forces of any country.

E. Becoming Insured For Dependents Life Insurance

1. Eligibility

You become eligible to insure your Dependents on the later of:

- a. The date your Life Insurance becomes effective; and
- b. The date you first acquire a Dependent.

Dependent insurance must be added with 31 days of your eligibility or within 60 days of acquiring eligible dependents.

F. Effective Date

Your Dependents Life Insurance is Contributory.

Your Dependents Life Insurance becomes effective on the date determined by the Servicing Personnel Office (SPO) following completion of the DC SF 1275 Form. The form must be submitted within 60 days of a Life Event Change.

G. Contributory Dependents Life Insurance

You must apply in writing for Contributory Dependents Life Insurance and agree to pay premiums. Contributory Dependents Life Insurance not subject to Evidence Of Insurability becomes effective on the latest of:

- i. The date your Life Insurance becomes effective if you apply on or before that date;
- ii. The date you become eligible to insure your Dependents if you apply on or before that date;
- iii. The date you apply if you apply within 31 days after you become eligible; and
- iv. The date determined by your Servicing Personnel Office (SPO) if you apply within 60 days of a Life Event Change.

While your Dependents Life Insurance is in effect, each new Child becomes insured immediately.

H. When Dependents Life Insurance Ends

Dependents Life Insurance ends automatically on the earliest of:

1. Thirty-one days following the end of your insurance as a Member (no premiums will be charged for your Dependents Life Insurance during this time);
2. The date your Life Insurance ends;
3. The date the Group Policy terminates, or the date Dependents Life Insurance terminates under the Group Policy;
4. The date the last period ends for which you made a premium contribution, if your Dependents Life Insurance is Contributory;
5. For your Spouse, the date of your divorce;
6. For any Dependent, the date the Dependent ceases to be a Dependent; and
7. For a Child who is Disabled, 90 days after we mail you a request for proof of Disability, if proof is not given.

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## **ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

A. Insuring Clause

If you have an accident, while insured for AD&D Insurance, and the accident results in a Loss, we will pay benefits according to the terms of the Group Policy after we receive satisfactory Proof Of Loss.

B. Definition Of Loss For AD&D Insurance

Loss means loss of life, hand, foot, or sight which:

1. Is caused solely and directly by an accident;
2. Occurs independently of all other causes; and
3. Occurs within 365 days after the accident.

With respect to a hand or foot, Loss means actual and permanent severance from the body at or

above the wrist or ankle joint. With respect to sight, Loss means entire and irrecoverable loss of sight.

C. Amount Payable

See **Coverage Features** for the AD&D Insurance schedule. The amount payable is a percentage of the AD&D Insurance Benefit in effect on the date of the accident and is determined by the Loss suffered. See AD&D Table Of Losses in the **Coverage Features**.

D. Changes In AD&D Insurance

Changes in your AD&D Insurance will become effective on the date your Life Insurance changes.

E. AD&D Insurance Exclusions

No AD&D Insurance benefit is payable if the accident or Loss is caused or contributed to by any of the following:

1. War or act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature. This exclusion will apply only if nuclear weapons are actually being used.
2. Suicide or other intentionally self-inflicted Injury, while sane or insane.
3. Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing your official duties.
4. The voluntary use or consumption of any poison, chemical compound, alcohol or drug, unless used or consumed according to the directions of a Physician.
5. Sickness or Pregnancy existing at the time of the accident.
6. Heart attack or stroke.
7. Medical or surgical treatment for any of the above.

F. Additional AD&D Benefits

Seat Belt Benefit

The amount of the Seat Belt Benefit is shown in the **Coverage Features**.

We will pay a Seat Belt Benefit if all of the following requirements are met:

1. You die as a result of an Automobile accident for which an AD&D Insurance Benefit is payable for Loss of your Life; and
2. You are wearing and properly utilizing a Seat Belt System at the time of the accident, as evidenced by a police accident report.

Seat Belt System means a properly installed combination lap and shoulder restraint system that meets the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration. Seat Belt System will include a lap belt alone, but only if the Automobile did not have a combination lap and shoulder restraint system when manufactured. Seat Belt System does not include a shoulder restraint alone.

Automobile means a motor vehicle licensed for use on public highways.

Air Bag Benefit

The amount of the Air Bag Benefit is shown in the **Coverage Features**.

We will pay an Air Bag Benefit if all of the following requirements are met:

1. You die as a result of an automobile accident for which a Seat Belt Benefit is payable for Loss of your life.
2. The Automobile is equipped with an Air Bag System that was installed as original equipment by the Automobile manufacturer and has received regular maintenance or scheduled replacement as recommended by the Automobile or Air Bag manufacturer.
3. You are seated in the driver's or a passenger's seating position intended to be protected by the Air Bag System and the Air Bag System deploys, as evidenced by a police accident report.

Air Bag System means an automatically inflatable passive restraint system that is designed to provide automatic crash protection in front or side impact Automobile accidents and meets the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration.

Automobile means a motor vehicle licensed for use on public highways.

#### Career Adjustment Benefit

The amount of the Career Adjustment Benefit is shown in the **Coverage Features**.

We will pay a Career Adjustment Benefit to your Spouse if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Spouse is, within 36 months after the date of your death, registered and in attendance at a professional or trades training program for the purpose of obtaining employment or increasing earnings.

No Career Adjustment Benefit will be paid if you have no surviving Spouse.

#### Child Care Benefit

The amount of the Child Care Benefit is shown in the **Coverage Features**.

We will pay a Child Care Benefit to your Spouse if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Spouse pays a licensed child care provider who is not a member of your family for child care provided to your Child(ren) under age 13 within 36 months of your death.
4. The child care is necessary in order for your Spouse to work or to obtain training for work or to increase earnings.

No Child Care Benefit will be paid if you have no surviving Spouse.

#### Higher Education Benefit

The amount of the Higher Education Benefit is shown in the **Coverage Features**.

We will pay a Higher Education Benefit to your Child if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.

3. Your Child is, within 12 months after the date of your death, registered and in full-time attendance at an accredited institution of higher education beyond high school.

The Higher Education Benefit will be paid annually to each Child who meets the requirements of item 3 above, for a maximum of 4 consecutive years beginning on the date of your death. No Higher Education Benefit will be paid if there is no Child eligible to receive it.

#### G. Becoming Insured For AD&D Insurance

##### 1. Eligibility

You become eligible for AD&D Insurance on the date your Life Insurance is effective.

##### 2. Effective Date

AD&D Insurance is Contributory.

Contributory AD&D Insurance

You must apply in writing for Contributory AD&D Insurance and agree to pay premiums. Contributory AD&D Insurance becomes effective on the later of:

- (i) The date you become eligible if you apply on or before that date.
- (ii) The first day of the calendar month coinciding with or next following the date you apply, if you apply after you become eligible.

#### H. When AD&D Insurance Ends

AD&D Insurance ends automatically on the earlier of:

1. The date your Life Insurance ends.
2. The date AD&D Insurance terminates under the Group Policy.

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### **ACTIVE WORK PROVISIONS**

If you are incapable of Active Work because of Sickness, Injury or Pregnancy on the day before the scheduled effective date of an elective increase in your insurance, the increase will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing the material duties of your own occupation at your Employer's usual place of business.

You will also meet the Active Work requirement if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work on the day before the scheduled effective date of your insurance or increase in your insurance.

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### **PORTABILITY OF INSURANCE**

#### A. Portability Of Insurance

If your insurance under the Group Policy ends because your employment with your Employer terminates, you may be eligible to buy portable group insurance coverage as shown in the

**Coverage Features** for yourself and your Dependents without submitting Evidence Of Insurability. To be eligible you must satisfy the following requirements:

1. On the date your employment terminates, you must be able to perform with reasonable continuity the material duties of at least one gainful occupation for which you are reasonably fitted by education, training and experience.

(If you are unable to meet this requirement, see the **Right To Convert** provision for other options that may be available to you under the Group Policy.)

2. On the date your employment terminates, you are under age 65.
3. On the date your employment terminates, you must have been continuously insured under the Group Policy for at least 12 consecutive months. In computing the 12 consecutive month period, we will include time insured under the Prior Plan.
4. You must apply in writing and pay the first premium directly to us at our Home Office within 31 days after the date your employment terminates. You must purchase portable group life insurance coverage for yourself in order to purchase any other insurance eligible for portability.

This portable group insurance will be provided under a master Group Life Portability Insurance Policy we have issued to the Standard Insurance Company Group Insurance Trust. If approved, the certificate you will receive will be governed under the terms of the Group Life Portability Insurance Policy and will contain provisions that differ from your Employer's coverage under the Group Policy.

#### B. Amount Of Portable Insurance

The minimum and maximum amounts that you are eligible to buy under the Group Life Portability Insurance Policy are shown in the **Coverage Features**. You may buy less than the maximum amounts in increments of \$1,000.

The combined amounts of insurance purchased under this **Portability Of Insurance** provision and the **Right To Convert** provision cannot exceed the amount in effect under the Group Policy on the day before your employment terminates.

#### C. When Portable Insurance Becomes Effective

Portable group insurance will become effective the day your active insurance as a Member end, if you apply within 31 days after the date your employment terminates.

If death occurs within 31 days after the date insurance ends under the Group Policy, life insurance benefits, if any, will be paid according to the terms of the Group Policy in effect on the date your employment terminates and not the terms of the Group Life Portability Insurance Policy.

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## ACCELERATED BENEFIT

#### A. Accelerated Benefit

If you give us satisfactory proof of having a Qualifying Medical Condition which begins (a) while you are insured under the Group Policy, and (b) before age 60, you may have the right to receive during your lifetime a portion of your Insurance as an Accelerated Benefit. You must have at least \$10,000 of Insurance in effect to be eligible.

If your Insurance is scheduled to end within 24 months following the date you apply for the Accelerated Benefit, you will not be eligible for the Accelerated Benefit.

Qualifying Medical Condition means you are terminally ill as a result of an illness or physical condition which is reasonably expected to result in death within 12 months.

We may have you examined at our expense in connection with your claim for an Accelerated Benefit. Any such examination will be conducted by one or more Physicians of our choice.

**B. Application For Accelerated Benefit**

You must apply for an Accelerated Benefit. To apply you must give us satisfactory Proof Of Loss on our forms. Proof Of Loss must include a statement from a Physician that you have a Qualifying Medical Condition.

**C. Amount Of Accelerated Benefit**

You may receive an Accelerated Benefit of up to 75% of your Insurance. The maximum Accelerated Benefit is \$500,000. The minimum Accelerated Benefit is \$5,000 or 10% of your Insurance, whichever is greater.

If the amount of your Insurance is scheduled to reduce within 24 months following the date you apply for the Accelerated Benefit, your Accelerated Benefit will be based on the reduced amount.

The Accelerated Benefit will be paid to you once in your lifetime in a lump sum. If you recover from your Qualifying Medical Condition after receiving an Accelerated Benefit, we will not ask you for a refund.

**D. Effect On Insurance And Other Benefits**

For any purpose other than premium payment, the amount of your Insurance after payment of the Accelerated Benefit will be the greater of the amounts in (1) and (2) below; however, if you assign your rights under the Group Policy, the amount of your Insurance will be the amount in (2) below.

(1) 10% of the amount of your Insurance as if no Accelerated Benefit had been paid; or

(2) The amount of your Insurance as if no Accelerated Benefit had been paid; minus

The amount of the Accelerated Benefit; minus

An interest charge calculated as follows:

A times B times C divided by 365 = interest charge.

A = The amount of the Accelerated Benefit.

B = The monthly average of our variable policy loan interest rate.

C = The number of days from payment of the Accelerated Benefit to the earlier of (1) the date you die, and (2) the date you have a Right To Convert.

Your AD&D Insurance, if any, is not affected by payment of the Accelerated Benefit.

**E. Exclusions**

No Accelerated Benefit will be paid if:

1. All or part of your Insurance must be paid to your Child(ren), or your Spouse or former Spouse as part of a court approved divorce decree, separate maintenance agreement, or property settlement agreement.
2. You are married and live in a community property state unless you give us a signed written consent from your Spouse.
3. You have made an assignment of all or part of your Insurance unless you give us a signed written consent from the assignee.
4. You have filed for bankruptcy, unless you give us written approval from the Bankruptcy Court for payment of the Accelerated Benefit.
5. You are required by a government agency to use the Accelerated Benefit to apply for, receive, or continue a government benefit or entitlement.



6. You have previously received an Accelerated Benefit under the Group Policy.

F. Definitions For Accelerated Benefit

Insurance means your Life Insurance Benefit under the Group Policy.

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## RIGHT TO CONVERT

A. Right To Convert

You may buy an individual policy of life insurance without Evidence Of Insurability if:

1. Your Insurance ends or is reduced due to a Qualifying Event; and
2. You apply in writing and pay us the first premium during the Conversion Period.

Except as limited under C. Limits On Right To Convert, the maximum amount you have a Right To Convert is the amount of your Insurance which ended.

B. Definitions For Right To Convert

1. Conversion Period means the 31-day period after the date of any Qualifying Event.
2. Insurance means all your insurance under the Group Policy, but excluding AD&D Insurance.
3. Qualifying Event means termination or reduction of your Insurance for any reason except:
  - a. The Member's failure to make a required premium contribution.
  - b. Payment of an Accelerated Benefit.
4. You and your mean any person insured under the Group Policy.

C. Limits On Right To Convert

If your Insurance ends or is reduced because of termination or amendment of the Group Policy, 1 and 2 below will apply.

1. You may not convert Insurance which has been in effect for less than the Minimum Time Insured. See **Coverage Features**.
2. The maximum amount you have a Right To Convert is the lesser of:
  - a. The amount of your Insurance which ended, minus any other group life insurance for which you become eligible during the Conversion Period; and
  - b. The Maximum Conversion Amount. See **Coverage Features**.

D. The Individual Policy

You may select any form of individual life insurance policy we issue to persons of your age, except:

1. A term insurance policy;
2. A universal life policy;
3. A policy with disability, accidental death, or other additional benefits; or
4. A policy in an amount less than the minimum amount we issue for the form of life insurance you select.

The individual policy of life insurance will become effective on the day after the end of the Conversion Period. We will use our published rates for standard risks to determine the premium.

E. Death During The Conversion Period

If you die during the Conversion Period, we will pay a death benefit equal to the maximum amount you had a Right To Convert, whether or not you applied for an individual policy. The benefit will be paid according to the **Benefit Payment And Beneficiary Provisions**.

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## CLAIMS

A. Filing A Claim

Claims should be filed on our forms. If we do not provide our forms within 15 days after they are requested, the claim may be submitted in a letter to us.

B. Time Limits On Filing Proof Of Loss

Proof Of Loss must be provided within 90 days after the date of the loss. If that is not possible, it must be provided as soon as reasonably possible, but not later than one year after that 90-day period.

If Proof Of Loss is filed outside these time limits, the claim will be denied. These limits will not apply while the Member or Beneficiary lacks legal capacity.

C. Proof Of Loss

Proof Of Loss means written proof that a loss occurred:

1. For which the Group Policy provides benefits;
2. Which is not subject to any exclusions; and
3. Which meets all other conditions for benefits.

Proof Of Loss includes any other information we may reasonably require in support of a claim. Proof Of Loss must be in writing and must be provided at the expense of the claimant. No benefits will be provided until we receive Proof Of Loss.

D. Investigation Of Claim

We may have you examined at our expense at reasonable intervals. Any such examination will be conducted by specialists of our choice.

We may have an autopsy performed at our expense, except where prohibited by law.

E. Time Of Payment

We will pay benefits within 60 days after Proof Of Loss is satisfied.

F. Notice Of Decision On Claim

The claimant will receive a written decision on a claim within a reasonable time after we receive the claim.

If the claimant does not receive our decision within 90 days after we receive the claim, the claimant will have an immediate right to request a review as if the claim had been denied.

If we deny any part of the claim, the claimant will receive a written notice of denial containing:

1. The reasons for our decision;
2. Reference to the parts of the Group Policy on which our decision is based;

3. A description of any additional information needed to support the claim; and
4. Information concerning the claimant's right to a review of our decision.

#### G. Review Procedure

If all or part of a claim is denied, the claimant must request a review in writing within 60 days after receiving notice of the denial.

The claimant may send us written comments or other items to support the claim, and may review any nonprivileged information that relates to the request for review.

We will review the claim promptly after we receive the request. We will send notice of our decision within 60 days after we receive the request, or within 120 days if special circumstances require an extension. We will state the reasons for our decision and refer to the relevant parts of the Group Policy.

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### ASSIGNMENT

If the amount of your Life Insurance is less than \$25,000, you may not make an assignment.

If the amount of your Life Insurance is \$25,000 or more, you may make an absolute assignment of all your Life and AD&D Insurance, subject to 1 through 8 below.

1. All insurance under the Group Policy, including AD&D Insurance, is assignable. Dependents Life Insurance is not assignable.
2. You may not make a collateral assignment.
3. The assignment must be absolute and irrevocable. It must transfer all rights, including:
  - a. The right to change the Beneficiary;
  - b. The right to buy an individual life insurance policy on your life under **Right To Convert**; and
  - c. The right to receive accidental dismemberment benefits.
4. The assignment will apply to all of your Life and AD&D Insurance in effect on the date of the assignment or becoming effective after that date.
5. The assignment may be to any person other than the Policyholder or Employer.
6. The assignment will have no effect unless it is: made in writing, signed by you, and delivered to the Policyholder or Employer in your lifetime. Neither we, the Policyholder, nor the Employer are responsible for the validity, sufficiency or effect of the assignment.
7. All accidental dismemberment benefits will be paid to the assignee. All death benefits will be paid according to the beneficiary designation on file with the Policyholder or Employer, and the **Benefit Payment And Beneficiary Provisions**.
8. The assignment will not change the Beneficiary, unless the assignee later changes the Beneficiary. Any payment we make according to the beneficiary designation on file with the Policyholder or Employer, and the **Benefit Payment And Beneficiary Provisions** will fully discharge us to the extent of the payment.

You may not make an assignment which is contrary to the rules in 1 through 8 above.

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## **BENEFIT PAYMENT AND BENEFICIARY PROVISIONS**

### **A. Payment Of Benefits**

1. Except as provided in item 5 below, benefits payable because of your death will be paid to the Beneficiary you name. See B through E of this section.
2. AD&D Insurance benefits payable for Losses other than Loss of Life will be paid to the person who suffers the Loss for which benefits are payable. Any such benefits remaining unpaid at that person's death will be paid according to the provisions for payment of a death benefit.
3. The benefits below will be paid to you if you are living.
  - a. Dependents Life Insurance benefits.
  - b. Accelerated Benefits.
4. Dependents Life Insurance benefits payable because of the death of your Dependent which are unpaid at your death will be paid in equal shares to the first surviving class of the classes below.
  - a. The children of the Dependent.
  - b. The parents of the Dependent.
  - c. The brothers and sisters of the Dependent.
  - d. Your estate.

5. Additional Benefits will be paid as follows:

The Child Care Benefit will be paid to your surviving Spouse. No Child Care Benefit will be paid if you have no Spouse.

The Career Adjustment Benefit will be paid to your Spouse. No Career Adjustment Benefit will be paid if you have no Spouse.

The Higher Education Benefit will be paid annually to each eligible Child. No Higher Education Benefit will be paid if there is no Child eligible to receive it.

6. Additional Benefits will be paid as follows:

The Child Care Benefit will be paid to your surviving Spouse. No Child Care Benefit will be paid if you have no Spouse.

The Career Adjustment Benefit will be paid to your Spouse. No Career Adjustment Benefit will be paid if you have no Spouse.

The Higher Education Benefit will be paid annually to each eligible Child. No Higher Education Benefit will be paid if there is no Child eligible to receive it.

The Repatriation Benefit will be paid to the person who incurs the transportation expenses.

### **B. Naming A Beneficiary**

Beneficiary means a person you name to receive death benefits.

You may name one or more Beneficiaries. Two or more surviving Beneficiaries will share equally, unless you specify otherwise. You may name or change Beneficiaries at any time without the consent of a Beneficiary.

Your Beneficiary designation must be the same for Life Insurance and AD&D Insurance death benefits.

You must name or change Beneficiaries in writing. Your designation:

1. Must be dated and signed by you;
2. Must be delivered to the Policyholder or Employer during your lifetime;
3. Must relate to the insurance provided under the Group Policy; and
4. Will take effect on the date it is delivered to the Policyholder or Employer.

If we approve it, a written designation signed and dated by you under the Prior Plan will be accepted as your Beneficiary designation under the Group Policy.

C. Simultaneous Death Provision

If a Beneficiary dies on the same day you die, or within 15 days thereafter, benefits will be paid as if that Beneficiary had died before you, unless Proof Of Loss with respect to your death is delivered to us before the date of the Beneficiary's death.

D. No Surviving Beneficiary

If you do not name a Beneficiary, or if you are not survived by one, benefits will be paid in equal shares to the first surviving class of the classes below.

1. Your spouse.
2. Your children.
3. Your parents.
4. Your brothers and sisters.
5. Your estate.

E. Methods Of Payment

Recipient means a person who is entitled to benefits under this **Benefit Payment and Beneficiary Provisions** section.

1. Lump Sum

If the amount payable to a Recipient is less than \$10,000, we will pay it in a lump sum.

2. Standard Secure Access Checking Account

If the amount payable to a Recipient is \$10,000 or more, we will deposit it into a Standard Secure Access checking account which:

- a. Bears interest;
- b. Is owned by the Recipient;
- c. Is subject to the terms and conditions of a confirmation certificate which will be given to the Recipient; and
- d. Is fully guaranteed by us.

3. Installments

Payment to a Recipient may be made in installments if:

- a. The amount payable is \$10,000 or more;
- b. The Recipient chooses; and
- c. We agree.

To the extent permitted by law, the amount payable to the Recipient will not be subject to any legal process or to the claims of any creditor or creditor's representative.

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## **ALLOCATION OF AUTHORITY**

Except for those functions which the Group Policy specifically reserves to the Policyholder, we have full and exclusive authority to control and manage the Group Policy, to administer claims, and to interpret the Group Policy and resolve all questions arising in the administration, interpretation, and application of the Group Policy.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Group Policy and any claim under it;
3. The right to determine:
  - a. Eligibility for insurance;
  - b. Entitlement to benefits;
  - c. Amount of benefits payable;
  - d. Sufficiency and the amount of information we may reasonably require to determine a., b., or c., above.

Subject to the review procedures of the Group Policy, any decision we make in the exercise of our authority is conclusive and binding.

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## **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after we have been given Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The time within which Proof Of Loss is required to be given.

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## **INCONTESTABILITY PROVISIONS**

### **A. Incontestability Of Insurance**

Any statement made to obtain insurance is a representation and not a warranty.

No misrepresentation will be used to reduce or deny a claim unless:

1. The insurance would not have been approved if we had known the truth; and
2. We have given you or any other person claiming benefits a copy of the signed written instrument which contains the misrepresentation.

We will not use a misrepresentation to reduce or deny a claim after the insured's insurance has been in effect for two years.

**B. Incontestability Of Group Policy**

Any statement made by the Policyholder or Employer to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder or Employer will be used to deny a claim or to deny the validity of the Group Policy unless:

1. The Group Policy would not have been issued if we had known the truth; and
2. We have given the Policyholder or Employer a copy of a written instrument signed by the Policyholder or Employer which contains the misrepresentation.

The validity of the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums.

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**CLERICAL ERROR, AGENCY, AND MISSTATEMENT**

**A. Clerical Error**

Clerical error by the Policyholder, your Employer, or their respective employees or representatives will not:

1. Cause a person to become insured.
2. Invalidate insurance otherwise validly in force.
3. Continue insurance otherwise validly terminated.

**B. Agency**

The Policyholder and your Employer act on their own behalf as your agent, and not as our agent.

**C. Misstatement Of Age**

If a person's age has been misstated, we will make an equitable adjustment of premiums, benefits, or both. The adjustment will be based on:

1. The amount of insurance based on the correct age; and
2. The difference between the premiums paid and the premiums which would have been paid if the age had been correctly stated.

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**DEFINITIONS**

AD&D Insurance means accidental death and dismemberment insurance, if any, under the Group Policy.

Annual Earnings means your annual rate of earnings from your Employer. Your Annual Earnings will be based on your earnings in effect on the date of your death. Annual Earnings includes:

1. Contributions you make through a salary reduction agreement with your Employer to:
  - a. An Internal Revenue Code (IRC) Section 401(k), 403(b), 408(k), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. Shift differential pay.

3. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Annual Earnings does not include:

1. Bonuses.
2. Commissions.
3. Overtime pay.
4. Your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.
5. Any other extra compensation.

Child means:

1. Your unmarried child from live birth through age 21 (through age 24 if a registered student in full time attendance at an accredited educational institution); or
2. Your unmarried child who meets either of the following requirements:
  - a. The child is insured under the Group Policy and, on and after the date on which insurance would otherwise end because of the Child's age, is continuously Disabled.
  - b. The child was insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy and was Disabled on that day, and is continuously Disabled thereafter.

Child includes any of the following, if they otherwise meet the definition of Child:

- i. Your adopted child;
- ii. Your stepchild or foster child, if living in your home; or
- iii. Your grandchild, if claimed as a dependent on your Federal Income Tax form.

Your child is Disabled if your child is:

1. Continuously incapable of self-sustaining employment because of mental retardation or physical handicap; and
2. Chiefly dependent upon you for support and maintenance, or institutionalized because of mental retardation or physical handicap.

You must give us proof your Child is Disabled on our forms within 31 days after a) the date on which insurance would otherwise end because of the Child's age or b) the effective date of your Employer's coverage under the Group Policy if your child is Disabled on that date. At reasonable intervals thereafter, we may require further proof, and have your Child examined at our expense.

Contributory means you pay all or part of the premium for insurance.

Dependents Life Insurance means dependents life insurance, if any, under the Group Policy.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance. See **Coverage Features**.

Evidence Of Insurability means an applicant must:

1. Complete and sign our medical history statement;
2. Sign our form authorizing us to obtain information about the applicant's health;



3. Undergo a physical examination, if required by us, which may include blood testing; and
4. Provide any additional information about the applicant's insurability that we may reasonably require.

Group Policy means the group life insurance policy issued by us to the Policyholder and identified by the Group Policy Number.

Injury means an injury to your body.

Life Event Change means any of the following events:

1. Your marriage, divorce or legal separation.
2. The birth of your Child.
3. The adoption of a Child by you.
4. The death of your Spouse and/or Child.
5. The commencement or termination of your Spouse's employment.
6. A change in employment from full-time to part-time by you, your Spouse.

You may increase your Life Insurance due to any of the event(s) above.

Life Insurance means life insurance under the Group Policy.

Noncontributory means the Policyholder or Employer pays the entire premium for insurance.

Physician means a licensed M.D. or D.O., acting within the scope of the license. Physician does not include you or your spouse, or the brother, sister, parent or child of either you or your spouse.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means your Employer's group life insurance plan in effect on the day before the effective date of your Employer's coverage under the Group Policy and which is replaced by the Group Policy.

Sickness means your sickness, illness, or disease.

Spouse means a person to whom you are legally married. Spouse does not include a person who is a full-time member of the armed forces of any country.

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